## United States Senate

WASHINGTON, DC 20510 July 19, 2004

Ms. Susan D. Whiting President and Chief Executive Officer Nielsen Media Research 770 Broadway New York, NY 10003

Dear Ms. Whiting:

I write to you to express my concern about the on-going questions regarding Nielsen's transition to new measurement technology in New York and other markets. Of particular importance are the recent allegations of minority undercounting by Nielsen's Local People Meter (LPM) technology in the United States. Despite the fact that the Media Ratings Council has not yet accredited the Local People Meter methodology and technology, Nielsen is rolling out LPM in New York.

According to press reports on July 12, 2004, Nielsen has formed a joint venture company with BBM Canada to develop and deploy BBM's advanced, passive audience measurement system throughout Canada. It is reported that such a system would more accurately measure audience viewership (especially out-of-home viewing) than Nielsen's current system, which requires active involvement from participants and may lead to unacceptably high "fault rates."

I am concerned that Nielsen is deploying a passive audience measurement system in Canada while it continues with its rollout of the LPM technology in the United States and ask that you answer the following questions:

- 1. What differences, if any, exist between U.S. and Canadian markets that justify using passive people meters in one, but not the other?
- 2. What factors did Nielsen and BBM Canada consider in determining that use of Aribtron's passive measurement system is appropriate in Canada?
- 3. What technological barriers, if any, exist to deploying passive measurement tools for television ratings in the U.S. at this time?
- 4. Please describe Nielsen's efforts in making to transition to the passive people meter system in U.S. markets. When will this technology be ready for use in the U.S.?

Given the lack of accreditation for LPM and the concerns voiced by minority communities, it is difficult to understand why Nielsen would not move toward a new technology that, by its nature, seems to be less prone to human error. Accuracy in television viewing measurement is a critically important task in our society. The ratings PLEASE RESPOND TOTOWING Why Orielsen are the basis for programming decisions and thus determine what we

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are able to view on television. I look forward to hearing from you on this important issue.

Sincerely,

Charles E. Schumer United States Senator

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